

## Kemira Oyj: Notice of Annual General Meeting

The shareholders of Kemira Oyj ("Kemira") are invited to the Annual General Meeting to be held on Tuesday, March 22, 2011 at 1.00 p.m. in Marina Congress Center, Katajanokanlaituri 6, Helsinki, Finland. The reception of persons who have given notification to attend the meeting will begin at noon.

The following matters shall be considered at the Annual General Meeting:

1. Opening of the meeting
2. Calling the meeting to order
3. Election of the persons to confirm the minutes and to supervise the counting of the votes
4. Recording the legality of the meeting
5. Recording the attendance at the meeting and adoption of the list of votes
6. Presentation of the financial statements, the consolidated financial statements, the report of the Board of Directors and the auditor's reports for 2010
  - Review by the President and CEO
7. Adoption of the financial statements and the consolidated financial statements
8. Resolution on the use of the profit shown on the balance sheet and on dividends

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.48 per share be paid based on the adopted balance sheet for the financial year which ended on December 31, 2010. The dividend will be paid to a shareholder who is registered in the Company's Shareholder Register maintained by Euroclear Finland Ltd on the record date, March 25, 2011. The Board of Directors proposes that the dividend be paid out on April 1, 2011.

9. Resolution on the discharge of the members of the Board of Directors, the President and CEO and the deputy CEO from liability
10. Resolution on the remuneration of the Chairman, the Vice Chairman and the members of the Board of Directors

The Nomination Committee proposes to the Annual General Meeting that the remuneration paid to the members of the Board of Directors will be as follows: the Chairman will receive 74,000 euro per year, the Vice Chairman 45,000 euro per year and the other members 36,000 euro per year. A fee payable for each meeting of the Board and its committees would be for the members residing in

Finland 600 euro, the members residing in rest of Europe 1,200 euro and the members residing outside Europe 2,400 euro. Travel expenses are proposed to be paid according to Kemira's travel policy.

In addition, the Nomination Committee proposes to the Annual General Meeting that the annual fee be paid as a combination of the company's shares and cash in such a manner that 40% of the annual fee is paid with the company's shares owned by the company or, if this is not possible, shares purchased from the market, and 60% is paid in cash. The shares will be transferred to the members of the Board of Directors and, if necessary, acquired directly on behalf of the members of the Board of Directors within two weeks from the release of Kemira's interim report January 1 – March 31, 2011.

The meeting fees are proposed to be paid in cash.

11. Resolution on the number of members of the Board of Directors and election of the Chairman, the Vice Chairman and the members of the Board of Directors

The Nomination Committee proposes to the Annual General Meeting that seven members be elected to the Board of Directors and that the present members Elizabeth Armstrong, Wolfgang Büchele, Juha Laaksonen, Pekka Paasikivi, Kerttu Tuomas and Jukka Viinanen be re-elected as members of the Board of Directors and Winnie Kin Wah Fok be elected as a new member of the Board of Directors. The Nomination Committee proposes that Pekka Paasikivi will be elected to continue as the Chairman of the Board of Directors and that Jukka Viinanen will be elected to continue as the Vice Chairman.

Ms. Winnie Kin Wah Fok (b. 1956), Bachelor of Commerce, (University of New South Wales, Australia) is currently working as a Senior Advisor of Investor AB and of Husqvarna Group. She is currently also a Board member of AB SKF, Volvo Car Corporation and G4S plc. (UK). She is a citizen of Hong Kong, China.

Information on the individuals proposed to be elected as the members of the Board of Directors is available at Kemira's website at [www.kemira.com](http://www.kemira.com) > Investors > Corporate Governance > Annual General Meeting > Annual General Meeting 2011.

12. Resolution on the remuneration of the auditor

The Board of Directors proposes to the Annual General Meeting on the recommendation of the Audit Committee, that the Auditor's fees be paid against an invoice approved by Kemira.

13. Election of the auditor

The Board of Directors proposes to the Annual General Meeting on the recommendation of the Audit Committee, that KPMG Oy Ab be elected as the Company's auditor KHT Pekka Pajamo acting as the principal auditor.

14. Proposal of the Board of Directors for authorizing the Board of Directors to decide on the repurchase of the company's own shares

# Stock Exchange Release

February 24, 2011 at 8.00 am (CET+1) 3/7

The Board of Directors proposes that the Annual General Meeting authorizes the Board of Directors to decide upon repurchase of a maximum of 4,500,000 Company's own shares ("Share repurchase authorization").

Shares will be repurchased by using unrestricted equity either through a tender offer with equal terms to all shareholders at a price determined by the Board of Directors or otherwise than in proportion to the existing shareholdings of the Company's shareholders in public trading on the NASDAQ OMX Helsinki Ltd (the "Helsinki Stock Exchange") at the market price quoted at the time of the repurchase.

The price paid for the shares repurchased through a tender offer under the authorization shall be based on the market price of the company's shares in public trading. The minimum price to be paid would be the lowest market price of the share quoted in public trading during the authorization period and the maximum price the highest market price quoted during the authorization period.

Shares shall be acquired and paid for in accordance with the Rules of the Helsinki Stock Exchange and Euroclear Finland Ltd.

Shares may be repurchased to be used in implementing or financing mergers and acquisitions, developing the Company's capital structure, improving the liquidity of the Company's shares or to be used for the payment of the annual fee payable to the members of the Board of Directors or implementing the Company's share-based incentive plans. In order to realize the aforementioned purposes, the shares acquired may be retained, transferred further or cancelled by the Company.

The Board of Directors will decide upon other terms related to share repurchase.

The Share repurchase authorization is valid until the end of the next Annual General Meeting.

15. Proposal of the Board of Directors for authorizing the Board of Directors to decide on share issue

The Board of Directors proposes that the Annual General Meeting authorizes the Board of Directors to decide to issue a maximum of 15,600,000 new shares and/or transfer a maximum of 7,800,000 Company's own shares held by the Company ("Share issue authorization").

The new shares may be issued and the Company's own shares held by the Company may be transferred either for consideration or without consideration.

The new shares may be issued and the Company's own shares held by the Company may be transferred to the Company's shareholders in proportion to their current shareholdings in the Company, or by disapplying the shareholders' pre-emption right, through a directed share issue, if the Company has a weighty financial reason to do so, such as financing or implementing mergers and acquisitions, developing the capital structure of the Company, improving the liquidity of the Company's shares or if this is justified for the payment of the annual fee payable to the members of the Board of Directors or implementing the Company's share-based incentive plans. The directed share issue may be carried

out without consideration only in connection with the implementation of the Company's share-based incentive plan.

The subscription price of new shares shall be recorded to the invested unrestricted equity reserves. The consideration payable for Company's own shares shall be recorded to the invested unrestricted equity reserves.

The Board of Directors will decide upon other terms related to the share issues.

The Share issue authorization is valid until May 31, 2012.

16. Proposal of the Board of Directors for the establishment of the Nomination Board

The Board of Directors proposes that the Annual General Meeting decides to establish a Nomination Board as follows:

1. The Annual General Meeting decides to establish a Nomination Board comprising of the shareholders or the representatives of the shareholders to prepare proposals concerning the composition and remuneration of the Board of Directors for the next Annual General Meeting.
2. The tasks of the Nomination Board are
  - a. preparation of the proposal for the Annual General Meeting concerning the composition of the Board of Directors;
  - b. preparation of the proposal for the Annual General Meeting concerning the remuneration of the Board of Directors;
  - c. identification of successor candidates for the members of the Board of Directors; and
  - d. presentation of the proposal concerning the composition and remuneration of the Board of Directors to the Annual General Meeting.
3. The Nomination Board shall consist of the four largest shareholders or the representatives of such shareholders and the Chairman of the Board of Directors of Kemira Oyj acting as an expert member. The four shareholders having the most voting rights on August 31, 2011 according to the company's shareholders' register maintained by Euroclear Finland Ltd, shall have a right to appoint a member to the Nomination Board. In case a shareholder, who has a duty to disclose certain ownership changes based on the Securities Market Act (disclosure obligation of holdings), presents no later than on August 30, 2011 a written demand to the Board of Directors of the company concerning the matter, the shareholdings of such shareholder which are registered in several funds or registers shall be summed up when calculating the voting rights of such shareholder. In case a shareholder does not wish to use his right to appoint a member to the Nomination Board, such right will pass on to the shareholder who according to the shareholder register is the next largest shareholder and who otherwise would not have the appointment right.

4. The Nomination Board shall be convened by the Chairman of the Board of Directors. The Nomination Board shall elect a Chairman among its members.
5. The Nomination Board shall deliver its proposal to the Board of Directors no later than on February 1, 2012.

According to the view of the Board of Directors, it is in the best interest of the company and its shareholders that the biggest shareholders participate in preparing nomination and compensation issues related to the Board of Directors.

17. Closing of the meeting

### **Annual General Meeting documents**

Documents concerning Kemira's financial statements, the proposals of the Board of Directors and the Nomination Committee, this notice and other documents required by the Finnish Companies Act and the Finnish Securities Market Act are available for inspection by shareholders as of February 24, 2011, at the Company's web site at [www.kemira.com](http://www.kemira.com) > Investors > Corporate Governance > Annual General Meeting > Annual General Meeting 2011. Copies of the documents will be sent to shareholders upon request, and they will also be available at the Annual General Meeting.

### **Right to attend the Annual General Meeting**

A shareholder who on the record date of the meeting, March 10, 2011, is registered in the company's shareholders' register maintained by Euroclear Finland Ltd and has given notice to attend the Annual General Meeting no later than on Thursday March 17, 2011 at 4.00 p.m. is entitled to attend and participate in the Annual General Meeting. A shareholder, whose shares have been recorded in his/her personal book-entry account, is registered in the company's shareholders' register.

### **Registration for the Annual General Meeting**

A shareholder may give notice of the intent to participate in the Annual General Meeting as follows:

- a) through Kemira's website at the address [www.kemira.com](http://www.kemira.com).
- b) by letter to the address Kemira Oyj, Tea Salminen, P.O. Box 330, FI-00101 Helsinki, Finland;
- c) by fax at +358 10 862 1197, Kemira Oyj, Tea Salminen;
- d) by telephone at +358 10 862 1703, Tea Salminen, weekdays 9–12 a.m. and 1–4 p.m.

In connection with the registration, a shareholder shall notify his/her/its name, personal identification number/company identification number, address, telephone number and the name of the possible assistant, authorized representative or statutory representative. The personal data given to Kemira is used only in connection with the Annual General Meeting and with the processing of related registrations.

Notifications must be received by the Company no later than on Thursday, March 17, 2011 at 4.00 p.m.

Pursuant to Chapter 5, Section 25 of the Finnish Companies Act, a shareholder who is present at the Annual General Meeting has the right to present questions with respect to the matters to be considered at the meeting.

#### **Proxy representatives and powers of attorney**

A shareholder may participate in the Annual General Meeting by way of proxy representation. A proxy representative shall produce a dated proxy document or otherwise demonstrate in a reliable manner his/her right to represent the shareholder at the Annual General Meeting. If the shareholder's shares are recorded into more than one book-entry securities account, the shareholder has the right to use a different proxy representative for each book-entry securities account. In such case, in connection with the registration, the shareholder must also state those shares which each different proxy representative represents.

A proxy for representing a shareholder at the meeting is requested to be delivered together with the notice to attend the meeting by March 17, 2011 at 4:00 p.m. at the latest.

#### **Holders of nominee registered shares**

A shareholder holding nominee registered shares and wishing to attend the Annual General Meeting, should be notified for temporary entry into the shareholders' register of the company on March 17, 2011 at 10:00 a.m., at the latest, provided that the shareholder had the right, on the basis of the same shares, to be recorded in the shareholders' register of the company on the record date of the meeting, March 10, 2011. A notification regarding temporary entry of a holder of nominee registered shares into the shareholders' register of the company is regarded as a notice of participation in the Annual General Meeting.

A holder of nominee registered shares is advised to request necessary instructions regarding the registration in the shareholders' register, the issuing of proxy documents and registration for the Annual General Meeting from his/her custodian bank.

#### **Number of shares and votes**

The total number of shares and votes in Kemira as of the date of this notice, February 8, 2011, is 155,342,557.

Helsinki, February 8, 2011

Kemira Oyj  
Board of Directors

**For more information, please contact**

Kemira Oyj  
Tero Huovinen, Director, Investor Relations  
Tel. +358 10 862 1980

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**Kemira** is a global two billion euro chemicals company that is focused on serving customers in water-intensive industries. The company offers water quality and quantity management that improves customers' energy, water, and raw material efficiency. Kemira's vision is to be a leading water chemistry company.

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[www.waterfootprintkemira.com](http://www.waterfootprintkemira.com)